

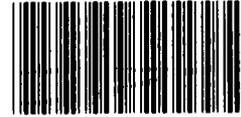


UNITED STATES GENERAL ACCOUNTING OFFICE
WASHINGTON, D.C. 20548

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January 8, 1982

HUMAN RESOURCES
DIVISION



119798

Mr. John A. Svahn
Commissioner of Social Security
Department of Health and Human Services

Dear Mr. Svahn:

Subject: Social Security Needs to Determine the Cost Effectiveness of Manually Identifying Supplemental Security Income Recipients With Income From Other Federal Sources (HRD-82-33)

We are currently performing a survey to determine the feasibility of using a multiple correlation matching computer program to detect erroneous payments within and between various Federal programs. While developing and testing our program, we observed the Social Security Administration's (SSA's) present process for manually matching Supplemental Security Income (SSI) records with payment records of certain other Federal agencies (Veterans Administration, Railroad Retirement Board, and Office of Personnel Management).

The manual process begins after SSA's computer matching operation identifies SSI beneficiaries who may also be receiving benefits from another program, but more work is required to establish positive identification. SSA officials estimate the cost of this operation to be about \$1 million annually, involving about 80 employees. Our comments are directed at the manual case review function performed by the Office of Central Operation's Payment Records Data Section and not the computer matching operations.

Presently, computer comparisons of SSI recipients' names and other identifying information are made five times a year with the Veterans Administration, and generally once a year with the Railroad Retirement Board and the Office of Personnel Management. If the possibility exists that the same beneficiary is on more than one system, more complete data is printed out and forwarded to the Payment Records Data Section for a manual review and further action, if necessary. For fiscal year 1981, SSA personnel estimated that over 250,000 such reviews were made. After supervisory review of the manual comparison, records of recipients who are the same or potentially the same (estimated by SSA personnel at about 40,000 annually) are sent to the appropriate SSA district office for investigation and, if necessary, adjustment of the SSI payment and/or record.

We found that while SSA has been conducting these manual matching operations for nearly 5 years, it has not collected data essential for assessing whether it is effective. Our survey showed that SSA has no information on the disposition of cases referred to district offices. Moreover, the personnel and other costs involved at the district office level in investigating and resolving the cases are unknown, and there is no mechanism in place for obtaining this information. Therefore, there is no basis for determining the cost

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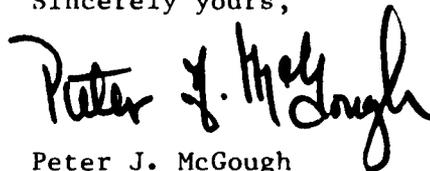
effectiveness of the entire manual review operation. Because SSA does not record the ultimate resolution of cases, it is also possible that any one case may go through the process year after year, wasting valuable district office resources.

We attempted to overcome this information void by selecting and re-viewing a limited number (64) of cases recently forwarded for investigation and resolution to district offices in Pennsylvania and New Jersey. We found that in 58, or 89 percent of the cases, there were no payment issues involved and only technical coding changes were necessary. The remaining 8 cases involved potential over or under payments. We question whether SSA should forward cases to a district office for positive identification if a potential mispayment is not an issue.

We discussed the results of our work with Operations officials and advised them of the need for data to be collected to facilitate a cost benefit study of the manual review process. They agreed and have initiated discussions directed at determining if the manual review process is cost effective. Because of this initiative we do not plan to pursue this matter any further at this time. However, as part of our ongoing effort to test the multiple correlation matching computer program, we will continue to monitor SSA's actions to evaluate the manual matching process, and we would appreciate being periodically advised of the status of your efforts.

We are encouraged by the responsive action taken to date by SSA personnel and we appreciate the continuing cooperation and assistance provided our staff. Copies of this letter are being sent to the cognizant Congressional Committees; the Office of Management and Budget; Secretary, Health and Human Services; OIG Audit; and your Office of Assessment.

Sincerely yours,



Peter J. McGough
Associate Director

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